

**STATEMENT OF PROCEEDINGS FOR THE SPECIAL MEETING OF THE
OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE
WEST HOLLYWOOD COMMUNITY DEVELOPMENT COMMISSION**

**CITY OF WEST HOLLYWOOD
PLUMMER PARK, ROOMS 5 AND 6
7377 SANTA MONICA BOULEVARD
WEST HOLLYWOOD, CALIFORNIA 90046**

Thursday, May 10, 2012

2:00 PM

AUDIO LINK FOR THE ENTIRE MEETING: [Audio](#)

I. CALL TO ORDER

The meeting was called to order at 2:00 p.m.

II. ROLL CALL

Present: Chair Daniel Ronnie Cohen, Vice Chair Roderick Burnley
Board Members Martin Zimmerman, Madeline Roachell, David Flaks
(arrived at 2:05 p.m.) and Paul Arevalo

Absent: Board Member Megan Reilly

III. ADMINISTRATIVE MATTERS

1. Self introductions of newly appointed Oversight Board members and staff.
(12-2039)

**Board Members present provided a brief self-introduction of themselves,
and the following Successor Agency for the West Hollywood Community
Development Staff Members were also introduced:**

- John Leonard, West Hollywood Project Development Administrator
- Robert Smith, City Attorney
- David Wilson, Director of Finance and Technology
- Elizabeth Savage, Director of Rent Stabilization and Housing
- Beth Rosen, Finance Department

2. Election of Chair and Vice-Chair for the Oversight Board. (12-2040)

Board Member Zimmerman nominated Board Member Cohen to serve as Chair.

On motion of Board Member Zimmerman, seconded by Board Member Roachell, unanimously carried, Board Member Cohen was appointed to serve as Chair of the Oversight Board.

Ayes: 5 - Chair Cohen, Vice Chair Burnley, Board Member Zimmerman, Board Member Roachell and Board Member Arevalo

Absent: 2 - Board Member Reilly and Board Member Flaks

Chair Cohen opened nominations for Vice Chair.

Board Member Arevalo nominated Board Member Burnley for Vice Chair.

On motion of Board Member Arevalo, seconded by Board Member Zimmerman, unanimously carried, Board Member Burnley was appointed to serve as Vice Chair of the Oversight Board.

Ayes: 5 - Chair Cohen, Vice Chair Burnley, Board Member Zimmerman, Board Member Roachell and Board Member Arevalo

Absent: 2 - Board Member Reilly and Board Member Flaks

3. Request the Chair to give a brief overview of duties and procedures of the West Hollywood Oversight Board. (12-2041)

Chair Cohen gave an overview of the duties and procedures of the Oversight Board to the Successor Agency for the West Hollywood Community Development Commission.

-
4. Designation of a contact person who shall serve as the point of contact for the State Department of Finance inquires. (12-2042)

Vice Chair Burnley recommended David Wilson, Manager, Budget & Compensation, City of West Hollywood to be the contact person for the Department of Finance.

Board Member Zimmerman requested that all correspondence between Mr. Wilson and the State Department of Finance be copied to each Board Member.

On motion of Vice Chair Burnley, seconded by Board Member Zimmerman, the Oversight Board appointed David Wilson as the contact person to the State Department of Finance; and directed that all correspondence with the Department of Finance be copied to each Board Member.

Ayes: 6 - Chair Cohen, Vice Chair Burnley, Board Member Zimmerman, Board Member Roachell, Board Member Flaks and Board Member Arevalo

Absent: 1 - Board Member Reilly

5. Approval of Oversight Board Rules and Procedures. (12-2043)

On motion of Board Member Zimmerman, by Common Consent, there being no objection (Board Member Reilly being absent), this item was approved.

Attachments: [Procedural Rules for Oversight Boards](#)

6. Establishment of dates, times and location of the regular meetings of the Oversight Board. (12-2044)

By Common Consent, there being no objection (Board Member Reilly being absent), the Oversight Board established regular meetings to be held on the Fourth Thursday of every month at 2:00 p.m. Furthermore, the Oversight Board scheduled a Special Meeting for May 24, 2012 at 2:00 p.m. at a location to be determined.

IV. DISCUSSION ITEMS

7. Review and approve the draft Recognized Obligation Payment Schedule (ROPS) for the period of August 2011 - June 30, 2012, as amended by the Successor Agency to the West Hollywood Community Development on February 21, 2012. (12-2045)

Jonathan Leonard, City Project Development Administrator and David Wilson, Director of Finance and Technology, provided an overview of the ROPS 1 and responded to questions posed by the Oversight Board. During discussion of the ROPS 1, the following revisions were suggested:

- **Date to be changed on ROPS1 to January 1, 2012 to June 30, 2012**
- **Line Item No. 4 will be changed to reflect the actual amount of the outstanding obligation. The amount on the amended ROPS1 will be changed from \$50,000 per month to \$25,750 total on ROPS1, and on ROPS 2, it will reflect paid during the first period.**
- **Line Item No. 6, will be taken off ROPS 2 due to Escrow Account disbursement in February 2012, at the request of the West Hollywood Housing Corporation;**
- **Line Item Nos. 7 and 9, at the recommendation of the Consultants', these line items will be revised in anticipation of being folded into Administrative Budget;**
- **Line Item No. 8, Employee Leave Liability, pertains to a former Redevelopment Agency employee;**
- **Line Item No. 10, recommended to be taken off ROPS 1 due to no extension on the Project;**
- **Line Item No. 11, recommended to be taken off both ROPS 1 and 2 due to the amount that was fully dispersed in November 2011;**
- **Pass-through amounts for ROPS 1 to be revised to reflect up to January 31, 2012.**

Chair Cohen suggested postponing the approval of ROPS 1 to the next meeting, until the recommended revisions be made and requested the Successor Agency for the West Hollywood Community Development (Successor Agency) to provide a 'Source of Funds Report.'

Mr. Leonard stated that the revised version of ROPS 1 would be presented with a budget for January 1, 2012 through June 30, 2012. To further assist the Oversight Board in their decision on the ROPS 1, Mr. Leonard recommended a deadline date for the Oversight Board to submit additional questions or concerns to the Successor Agency Staff pertaining to ROPS 1 to address. The Oversight Board considered Mr. Leonard's recommendation and agreed that May 16, 2012 will be the deadline to submit questions and or concerns to the Successor Agency in preparation for the final determination of the ROPS 1 at the next meeting. Board Member Zimmerman further requested to the Successor Agency Staff to provide a Cash Flow Analysis.

On motion of Board Member Zimmerman, by Common Consent, there being no objection (Board Member Reilly being absent), this item was continued to the Special Meeting, Thursday, May 24, 2012.

Attachments: [Staff Report for ROPS January 2012 - June 2012](#)
 [ROP Schedule - January 2012 - June 2012](#)

-
8. Review and approve the draft Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 - December 31, 2012, as considered by the Successor Agency to the West Hollywood Community Development on May 7, 2012. (12-2046)

Jonathan Leonard, City Project Development Administrator and David Wilson, Director of Finance and Technology, provided an overview of the ROPS 2 and responded to questions posed by the Oversight Board. During discussion of the ROPS 2, the following revisions were suggested:

- **Line Item No. 1(a), 2003 Tax Allocation Bonds will be adjusted per consultant's request to list the full obligation amount including principal and interest;**
- **Line Item No. 1(b), the Successor Agency was requested to provide the backup for fee amounts;**
- **Line Item Nos. 2 and 3, correct the outstanding debt amounts in the reconciliation documents;**
- **Line Item No. 4, remove this line item as the City Loans will be paid in full by June 30, 2012;**
- **Line Item No. 6, Pre-Development Loan for the West Hollywood Community Housing Corporation, remove this line item as payment was dispersed on February 22, 2012;**
- **Line Item No. 7(a): Use of funds will be switched from tax increment to housing bond proceeds as administrative project management cost for those items. Also includes project administration for Plummer Park, so they will separate items between use of housing bond proceeds and non-housing bond proceeds for Plummer Park.**
- **Line Item Nos. 7(b) and 9, agency employee costs and operating costs will be consolidated into the administrative budget. These line items will be removed from ROPS 2 and brought to the Oversight Board as a separate item at the next meeting. Specifically Line Item No. 8, Employee Leave Liability, costs were paid through the ROPS 1 period and will not appear on ROPS 2.**
- **Line Item Nos. 10 and 11, remove these line items**

- **Line Item No. 12(a), Plummer Park rehabilitation amount is going to be adjusted to reflect the amount of the series B bond proceeds;**
- **Line Item No. 12(b), Sewer renovation will be removed as this project was funded through a different source;**
- **Line Item Nos. 12(c) through 12(e), will be funded by tax increment funds;**
- **Line Item No. 12(f), Alternative Living for the Aging, is on the cooperation agreement and intended funds to be used are from the Series B housing proceeds.**
- **Line Item No. 12(g), A \$3.5 million dollar permanent loan for the La Brea Apartments to be paid for with the housing bond proceeds.**
- **Line Item No. 12(h), funded by the housing bond proceeds.**
- **Line Item Nos. 12(j) - 12(g), funded by the tax increment retirement fund.**

Board Member Zimmerman suggested removal of Line Item No. 12(c) La Brea Streetscape from ROPS 2 because it was an agreement between the City and Metropolitan Transportation Authority and executed after the dissolution of the Redevelopment Agency and, therefore, it is not an enforceable obligation. The Successor Agency addressed the suggestion and informed the Oversight Board that this item was included on the ROPS because it was a part of the Cooperation Agreement and had been planned since 2009. During discussion, the Oversight Board came to a consensus that Line Item No. 12(c) should not be on ROPS 2, however, the Successor Agency would be providing supporting documentation supporting their position for this Line Item at the next meeting.

Board Member Zimmerman also suggested that Line Item Nos. 12(d) and 12(e) also should not be on ROPS 2 because there are no third party contracts, and the Oversight Board concurred with the suggestion.

The Successor Agency further informed the Oversight Board that Line Item No. 12(f) is aligned with Line Item 5 because it was in the Cooperation Agreement with a pre-existing loan agreement and these line items will be addressed in the revised ROPS 2 at the next meeting.

Board Member Arevalo made a suggestion postponing the approval of ROPS 2 until the recommended revisions be made.

On motion by Board Member Arevalo, by Common Consent, there being no objection (Board Member Reilly being absent), this item was continued to the Special Meeting, Thursday, May 24, 2012 for approval.

Attachments: [Staff Report for ROPS July 2012 - December 2012](#)
[Staff Report - Project 2003 Tax Allocation Bonds](#)
[Staff Report - Project 2011 Tax Allocation Bonds](#)
[ROP Schedule July 2012 - December 2012](#)
[ROPS Supporting Document](#)

9. Initiate process for retaining Legal Counsel services. (12-2047)

On motion by Board Member Zimmerman, by Common Consent, there being no objection (Board Member Reilly being absent), the Oversight Board established a subcommittee comprising of two Oversight Board Members (Zimmerman and Arevalo) to research potential candidates for Legal Counsel to the Oversight Board and return back to the Oversight Board with their findings at the next regular scheduled meeting.

V. MISCELLANEOUS

10. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (12-2048)

There were no matters to be presented on a future meeting.

11. Public comment - This time has been set aside for members of the public to address the City of West Hollywood Oversight Board on items within the subject matter jurisdiction of the Board. Although the Board values your comments, under the Brown Act, the Board cannot discuss or take any action on items not listed on the posted agenda. (12-2049)

There was no public comment.

12. Adjournment. (12-2050)

The meeting was adjourned at 2:45pm. A Special Meeting was scheduled for Thursday, May 24, 2012 at 2:00 p.m. at a location to be determined.